

CASE

NUMBER:

99-061

Warner A. Broughman III
and Associates

3161 Custer Dr.

Lexington, Kentucky 40517

(606) 271-1778

March 29, 1999

RECEIVED

MAR 30 1999

PUBLIC SERVICE
COMMISSION

Public Service Commission
P.O. Box 615
Frankfort, KY 40602

Re: Case #99-061
U.S. 60 Water District

RECEIVED

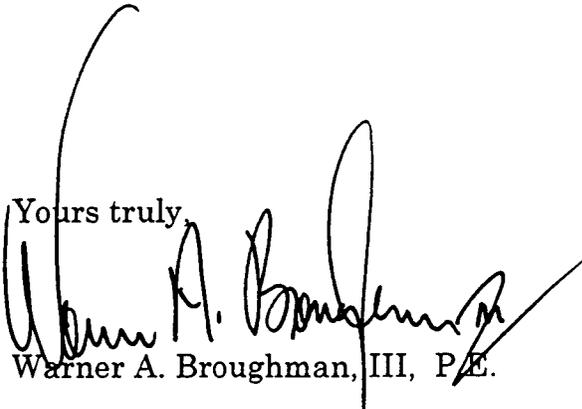
MAR 31 1999

To the COMMISSION:

PSC
FINANCIAL ANALYSIS

In accordance with your order of March 17, 1999, please find enclosed 10 copies of the revised and executed tariff. Also enclosed please find the revised notice to customers, the tear sheet from the publisher will be forwarded when it is received.

Yours truly,


Warner A. Broughman, III, P.E.

Cc: Bill Eggen, Chairman
Russ Rose, Asst. Mgr.
Don Prather

WAB:pac

For Entire Service Area
Community, Town or City

P.S.C. KY. No. 5

11th REVISED SHEET NO. 14

CANCELLING P.S.C. KY NO. 3

11th SHEET NO. 14

U.S.60 WATER DISTRICT OF
SHELBY AND FRANKLIN COUNTIES, KENTUCKY

Name of Issuing Corporation

CLASSIFICATION OF SERVICE

RATE

Applicable: Entire Area Served

Available: to All Customers Served by the Water District

Rates:

5/8 x 3/4 Inch Meter

First	1,000 gallons	\$10.89 Minimum Bill
Next	2,000 gallons	5.49 Per 1,000 Gallons
Next	5,000 gallons	4.39 Per 1,000 Gallons
All Over	5,000 gallons	3.85 Per 1,000 Gallons

1" Meter

First	5,000 gallons	\$30.65 Minimum Bill
All Over	5,000 gallons	3.85 Per 1,000 Gallons

2" Meter

First	25,000 gallons	\$107.68 Minimum Bill
All Over	25,000 gallons	3.85 Per 1,000 Gallons

Bulk Sales \$2.24 Per 1,000 Gallons

Date of Issue February 16, 1999 Date Effective March 30, 1999

Issued By William Eggen Title Chairman
William Eggen

Issued by authority of an Order of the Public Service Commission of
Kentucky in Case No. 99-061 dated March 17, 1999.

INDEX FOR CASE: 99-061 ✓
U. S. 60 WATER DISTRICT OF SHELBY, SPENCER AND FRANKLIN COUNTI
Rates - PWA

AS OF : 03/17/99

IN THE MATTER OF THE PURCHASED WATER ADJUSTMENT OF U.S. 60
WATER DISTRICT

SEQ NBR	ENTRY DATE	REMARKS
0001	02/19/99	Application.
0002	02/19/99	Acknowledgement letter.
0003	02/24/99	No deficiencies letter
M0001	03/04/99	U. S. 60 WATER DISTRICT-NEWSPAPER RATES
0004	03/17/99	Final Order approving purchased water adjustment and rates in Appendix A.



COMMONWEALTH OF KENTUCKY
PUBLIC SERVICE COMMISSION

730 SCHENKEL LANE
POST OFFICE BOX 615
FRANKFORT, KY. 40602
(502) 564-3940

CERTIFICATE OF SERVICE

RE: Case No. 99-061

U. S. 60 WATER DISTRICT OF SHELBY, SPENCER AND FRANKLIN COUNTI

I, Stephanie Bell, Secretary of the Public Service Commission, hereby certify that the enclosed attested copy of the Commission's Order in the above case was served upon the following by U.S. Mail on March 17, 1999.

Parties of Record:

William Eggen
Chairman
U. S. 60 Water District
P. O. Box 97
Bagdad, KY. 40003

Stephan Bell

Secretary of the Commission

SB/hv -
Enclosure

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT OF)
U. S. 60 WATER DISTRICT) CASE NO. 99-061

O R D E R

On February 19, 1999, U. S. 60 Water District ("U. S. 60") applied for approval to adjust its rates pursuant to the purchased water adjustment procedure. KRS 278.015 and 807 KAR 5:068.

The Commission, having reviewed the record and being sufficiently advised, finds that:

1. U. S. 60 purchases its water from Frankfort Electric and Water Plant Board ("Frankfort").
2. Frankfort increased the wholesale water rate charged to U. S. 60 from \$1.25 per 1,000 gallons to \$1.313 per 1,000 gallons effective January 10, 1999.
3. During the 12 months ending November 30, 1998, U. S. 60 purchased 119,864,100 gallons of water and sold 89,247,200 gallons.
4. The increase in the cost of purchased water is \$7,551.44, resulting in a purchased water adjustment of \$0.08 per 1,000 gallons of water. Based on a monthly usage of 5,000 gallons, the average bill of a U. S. 60 customer would increase \$0.40 from \$30.25 to \$30.65, or 1.3 percent.
5. The calculations provided by U. S. 60 are correct.

6. The purchased water adjustment of \$0.08 per 1,000 gallons and the rates in Appendix A, attached hereto and incorporated herein, are fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment of \$0.08 per 1,000 gallons and the rates in Appendix A are approved for services rendered on and after March 30, 1999.

2. The tariff submitted by U. S. 60 is hereby rejected as filed.

3. Within 20 days from the effective date of this Order, U. S. 60 shall file a revised tariff.

4. Within 20 days from the effective date of this Order, U. S. 60 shall file a copy of the revised notice to its customers and verification that such notice has been given.

Done at Frankfort, Kentucky, this 17th day of March, 1999.

By the Commission

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 99-061 DATED MARCH 17, 1999

The following rates and charges are prescribed for the customers in the area served by U. S. 60 Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

5/8 x 3/4 Inch Meter

First	1,000 gallons	\$ 10.89	Minimum bill
Next	2,000 gallons	5.49	per 1,000 gallons
Next	2,000 gallons	4.39	per 1,000 gallons
Over	5,000 gallons	3.85	per 1,000 gallons

1 Inch Meter

First	5,000 gallons	\$ 30.65	Minimum bill
Over	5,000 gallons	3.85	per 1,000 gallons

2 Inch Meter

First	25,000 gallons	\$107.68	Minimum bill
Over	25,000 gallons	3.85	per 1,000 gallons

Bulk Sales

\$ 2.24	per 1,000 gallons
---------	-------------------

**BUYING
TIMBERLANDS**

WE PAY TOP PRICES for timberland ready to cut now OR ready to cut in 10 to 15 years OR timberland cut recently. We also buy timber on the stump. For more information call toll free, without obligation. 800-326-8325, ext. 234.

Kentucky Bright
Timberlands LLC

WANTED TO BUY: Boundaries of standing cedars. Call 502-845-4501.

Judicial District Court in the estate of Wyman B. Porter deceased, who resided at 812 Plainview Dr., Shelbyville, KY. Ann Porter was appointed Executrix of the Estate on February 22, 1999. All persons having claim against said estate are notified to present them to: Ann Porter, 812 Plainview Dr., Shelbyville, KY 40065 not later than August 22, 1999. R. Roland Case is the attorney for said estate.

ADVERTISEMENT

The annual return of KD-FC, INC., a private foundation, has been filed for the year 1998 and is available for inspection within 180 days after the date of the notice.

The address and phone number of the principal office KD-FC, Inc., is 501 Main Street, Shelbyville, Ky. 40065. Telephone number is (502) 633-1220.

The principal officers of KD-FC, Inc., are Norma Beasey, President; Robert Stratton, Treasurer; Virginia Meeks, Secretary.

EXHIBIT F

U.S. 60 Water District has filed an application with the Public Service Commission for a proposed rate change for water service. The change is made necessary due to an increase in the wholesale price of water by our supplier. The following rates may be altered by the PSC after examining the application.

MONTHLY RATES

First	1,000 gallons per month	\$10.77 (minimum bill)
Next	2,000 gallons per month	5.285 per 1,000 gallons
Next	2,000 gallons per month	4.185 per 1,000 gallons
All Over	5,000 gallons per month	3.645 per 1,000 gallons

All persons having reason to intervene should file with the P.S.C., P.O. Box 615, Frankfort, Kentucky 40601. The application is on file at the offices of the U.S. 60 Water District, Bagdad, Kentucky and is available for examinations during business hours.

**COMMONWEALTH OF KENTUCKY
TRANSPORTATION CABINET
DEPARTMENT OF HIGHWAYS
NOTICE TO CONTRACTORS**

Sealed bids will be received by the Department of Highways in the Division of Contract Procurement and/or the Auditorium located on the 1st Floor of the State Office Building, Frankfort, Kentucky, until 10:00 a.m., EASTERN STANDARD TIME on the 19 day of March, 1999 at which time bids will be publicly opened and read for the improvement of:

Shelby County, FD05 106 0043 000-009: The Cropper Road (KY 43) from KY 55 (MP 0.000) extending to Washburn Road (MP 8.015), a distance of 8.015 miles. Asphalt Surface.

FDGR 99 0000037, Spencer-Shelby Counties: Asphalt Surface on Various Roads. (See Proposal for additional information)

CBGR 99 0000003, Shelby County: Asphalt Surface on Various Roads. (See Proposal for additional information)

Bid proposals for all projects will be available until 9:00 a.m., EASTERN STANDARD TIME, Friday, March 19, 1999, at the Division of Contract Procurement. Bid proposals for all projects will be available at a cost of \$10 each and remittance payable to the State Treasurer of Kentucky must accompany request for proposals (NON-REFUNDABLE). BID PROPOSALS ARE ISSUED ONLY TO PREQUALIFIED CONTRACTORS.

Specimen proposals for all projects will be available to all interested parties at a cost of \$10 each (NON-REFUNDABLE). Specimen proposals cannot be used for bidding.

Sentinel-News Ads:
1x2 Ad - \$10⁰⁰ 2x2 Ad - \$17⁰⁰
Deadlines:
Wed. Issue, noon Mon.; Fri. Issue, noon Wed.
Mon. Issue, 10 AM. Fri. Ads Must Be Pre Paid

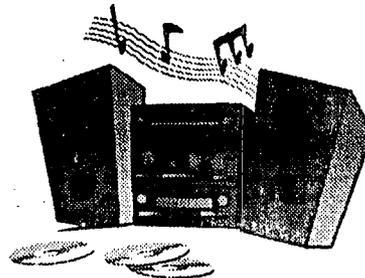
GARAGE SALE
Meadowbrook Sub.
65 Brookview Dr.
Saturday, Feb. 27 • 8 am-5pm
Tools - 10" table saw, disc & electric sanders, numerous hand tools, antique scroll saw, small wood burning stove, 20" cut lawnboy, 22" cut mower, mulcher. Too many items to mention.

99-066

RECEIVED
MAR - 4 1999

PUBLIC SERVICE
COMMISSION

IS A NEW STEREO MUSIC TO YOUR EARS?



Find a symphony of savings—
LOOK IN THE CLASSIFIEDS!

ADVERTISEMENT FOR BIDS

The SHELBYVILLE MUNICIPAL WATER AND SEWER COMMISSION is seeking bids for the purchase of one or two trailer mounted self-priming 6" trash pumps w/air cooled diesel engine and an operating time of at least 14.5 hours (provided thru properly sized fuel tank w/gauge) under full load.

Specifications shall be based on Gorman-Rupp model 16C2-F4L, CH&E model 2936, or other equal alternates. The pump must be able to deliver 1,100 GPM (+/-5%) at a total head of 100 ft., and suction lift of 15 ft., and at least 600 GPM at 125 ft. total head.

The trailer shall be a two wheel truck assembly with pneumatic tires P235/75R15, pintle hitch to match Commission hitches and must include rear night lights, as well as amber warning lights. The trailer should have swing up third wheel, and balanced lifting bail. Safety shut-down switches shall be provided for low oil pressure and v-belt failure, and include instrument panel w/temp. gauge, oil pressure gauge, ammeter, hourmeter, tachometer, alternator failure light, and muffler w/guard and weather cap.

Bidders shall provide a price for the purchase of one pump, and an alternate price if two pumps are purchased. Bidders shall include in their bid package a complete set of specifications, and warranty information, bids shall be FOB Commission Offices.

Each bidder shall include the estimated delivery date with his bid.

The bid opening will be Friday, March 12, 1999, at 2:00 p.m. at the Commission Offices, located at 1059 Washington St., Shelbyville, Ky. 40065. The mailing address for the Commission is P.O. Box 608, Shelbyville, Ky. 40066. The Commission reserves the right to waive any bidding formalities and to reject any and all bids. The Commission may not necessarily select the lowest bid, but will select the vendor based on the Commission's opinion of the lowest and best bid.

GENE P. FOUTS, P.E., C.P.E.
Manager



COMMONWEALTH OF KENTUCKY
PUBLIC SERVICE COMMISSION

730 SCHENKEL LANE
POST OFFICE BOX 615
FRANKFORT, KY. 40602
(502) 564-3940

February 24, 1999

William Eggen
Chairman
U. S. 60 Water District
P. O. Box 97
Bagdad, KY. 40003

RE: Case No. 99-061
U. S. 60 WATER DISTRICT OF SHELBY, SPENCER AND FRANKLIN COUNTI

The Commission staff has reviewed your application in the above case and finds that it meets the minimum filing requirements. Enclosed please find a stamped filed copy of the first page of your filing. This case has been docketed and will be processed as expeditiously as possible.

If you need further assistance, please contact my staff at 502/564-3940.

Sincerely,

A handwritten signature in black ink that reads "Stephanie Bell".

Stephanie Bell
Secretary of the Commission

SB/hv
Enclosure

U.S. 60 Water District
P.O. Box 97
Bagdad, KY 40003

February 16, 1999

FILED
RECEIVED
FEB 19 1999
FEB 19 1999
PUBLIC SERVICE
COMMISSION
PUBLIC SERVICE
COMMISSION

Public Service Commission
P.O. Box 615
Frankfort, KY 40602

To the COMMISSION:

Case 99-061

The U.S. 60 Water District respectfully requests that the COMMISSION allow us to make an adjustment in our rates in accordance with 807 KAR 5:067 Purchased Water Adjustment Clause.

The District has been told by its supplier, Frankfort Water and Electric Plant Board, that a 0.063 cent per 1000 gallon increase will take effect January 10, 1999. The District purchased 119,864,100 gallons from December 1, 1997 to November 30, 1998. The District sold 89,247,200 gallons to its customers and used 20,804,900 gallons for flushing, fire department use, breaks and operation of the system, leaving 9,812,000 gallons unaccounted for as leaks and meter inaccuracies. The difference between the old cost and new cost is expected to be \$7,551.43. The incremental cost in terms of water sold is \$0.085 per 1000 gallons. We propose to raise each gallonage block that amount.

The following documents are enclosed:

- Exhibit A. Purchased Water Rate Adjustment
- Exhibit B: Copy of Wholesale Tariff
- Exhibit C. Statement of Water Purchased
- Exhibit D. Statement of Water Sold
- Exhibit E. Balance Sheet
- Exhibit F. Notice to Customers
- Exhibit G. Tariff Sheet

If you have any questions, please contact Warner A. Broughman, III at (606) 271-1778, as he is handling this matter.

Yours truly,

William Eggen

William Eggen
Chairman

WE:pac



COMMONWEALTH OF KENTUCKY
PUBLIC SERVICE COMMISSION

730 SCHENKEL LANE
POST OFFICE BOX 615
FRANKFORT, KY. 40602
(502) 564-3940

February 19, 1999

William Eggen
Chairman
U. S. 60 Water District
P. O. Box 97
Bagdad, KY. 40003

RE: Case No. 99-061
U. S. 60 WATER DISTRICT OF SHELBY, SPENCER AND FRANKLIN COUNTI
(Rates - PWA)

This letter is to acknowledge receipt of initial application in the above case. The application was date-stamped received February 19, 1999 and has been assigned Case No. 99-061. In all future correspondence or filings in connection with this case, please reference the above case number.

If you need further assistance, please contact my staff at 502/564-3940.

Sincerely,

A handwritten signature in cursive script that reads "Stephanie Bell".

Stephanie Bell
Secretary of the Commission

SB/jc

U.S. 60 Water District
P.O. Box 97
Bagdad, KY 40003

February 16, 1999

FILED
RECEIVED
FEB 19 1999
PUBLIC SERVICE
COMMISSION
FEB 19 1999
PUBLIC SERVICE
COMMISSION

Public Service Commission
P.O. Box 615
Frankfort, KY 40602

To the COMMISSION:

Case 99-061

The U.S. 60 Water District respectfully requests that the COMMISSION allow us to make an adjustment in our rates in accordance with 807 KAR 5:067 Purchased Water Adjustment Clause.

The District has been told by its supplier, Frankfort Water and Electric Plant Board, that a 0.063 cent per 1000 gallon increase will take effect January 10, 1999. The District purchased 119,864,100 gallons from December 1, 1997 to November 30, 1998. The District sold 89,247,200 gallons to its customers and used 20,804,900 gallons for flushing, fire department use, breaks and operation of the system, leaving 9,812,000 gallons unaccounted for as leaks and meter inaccuracies. The difference between the old cost and new cost is expected to be \$7,551.43. The incremental cost in terms of water sold is \$0.085 per 1000 gallons. We propose to raise each gallonage block that amount.

The following documents are enclosed:

- Exhibit A. Purchased Water Rate Adjustment
- Exhibit B: Copy of Wholesale Tariff
- Exhibit C. Statement of Water Purchased
- Exhibit D. Statement of Water Sold
- Exhibit E. Balance Sheet
- Exhibit F. Notice to Customers
- Exhibit G. Tariff Sheet

If you have any questions, please contact Warner A. Broughman, III at (606) 271-1778, as he is handling this matter.

Yours truly,

William Eggen

William Eggen
Chairman

WE: pac

PURCHASED WATER ADJUSTMENT						System:	North Shelby
CALCULATIONS						By:	WABIII
						Date:	2/1/99
						File:	99-02 PWA-X
WATER PURCHASED:				119,864,100	GALLONS		
					GALLONS		
					GALLONS		
					GALLONS		
				119,864,100	GALLONS		
WATER SOLD:				89,247,200	GALLONS		
COST AT CHANGED RATE:							
119,864.10	GALLON	X	\$1.31	=	\$157,381.56		
	GALLON	X		=	\$0.00		
					\$157,381.56		
COST AT BASE RATE:							
119,864.10	GALLON	X	\$1.25	=	\$149,830.13		
	GALLON	X			\$0.00		
					\$149,830.13		
INCREASED PURCHASE COST:				CHANGED - BASE INCREASE	\$157,381.56 \$149,830.13 \$7,551.44		
UNIT PRICE:							
INCREASE	=	\$7,551.44	=	\$0.085	PER 1000 GALLONS		
WATER SOLD		89,247.2					

CITY OF FRANKFORT, KY.

FRANKFORT ELECTRIC AND WATER PLANT BOARD

NOTICE TO CUSTOMERS

WATER RATE ADJUSTMENT

PUBLIC SERVICE COMMISSION

Pursuant to the Regulations of the Public Service Commission (Commission), the Frankfort Electric and Water Plant Board (FEWPB) gives Notice that it has filed a water rate increase for the Peaks Mill Water District, Farmdale Water District, North Shelby Water District, U.S. 60 Water District and Elkhorn Water District with the Commission. It proposes the rate listed below, which is approximately a 5% increase over the current rate to be effective January 10, 1999. Further information may be obtained from the Commission or the FEWPB. The rates proposed in this Notice may be modified by the Commission. Such action by the Commission may result in the rates being higher or lower than those proposed by the FEWPB.

Any corporation, association, body politic or person may by timely motion, within 30 days of this Notice, request intervention in this case. Intervention beyond the 30 day period may be granted for good cause shown. The Motion must be submitted to the Public Service Commission, 730 Schenkel Lane, Box 615, Frankfort, Ky. 40602 and should state the grounds for the request, including the interest and status of the party. Intervenors may obtain copies of the tariffs and proposed rates by contacting the FEWPB at the address below. A copy of the tariff is available for public review at the office of the FEWPB and at the Public Service Commission, 730 Schenkel Lane, Frankfort, Ky. 40601, (502) 564-3940.

Warner Caines
General Manager
317 W. Second St.
Frankfort, KY 40601
(502) 223-3401

Peaks Mill Water District
Farmdale Water District
U.S. 60 Water District

North Shelby Water District
Elkhorn Water District

Current rate: \$1.25 per 1000 gallons
Proposed rate: \$1.313 per 1000 gallons

U.S. 60 Water District
Statement of Water Purchased

Bridgeport Meter

<u>DATE</u>	<u>GALLONS</u>	<u>COST</u>
12/8/97-1/13/98	9,860,000	\$12,818.26
1/13/98-2/14/98	8,594,200	11,172.46
2/14/98-3/9/98	5,899,700	7,669.62
3/9/98-4/6/98	7,371,000	9,582.30
4/6/98-5/7/98	8,353,000	10,858.90
5/7/98-6/5/98	7,592,500	9,870.26
6/5/98-7/9/98	8,463,900	11,003.08
7/9/98-8/7/98	7,693,600	10,001.68
8/7/98-9/8/98	7,323,400	9,520.42
9/8/98-10/8/98	10,562,100	13,730.74
10/8/98-11/4/98	6,912,200	8,985.86
11/4/98-12/7/98	<u>8,276,300</u>	11,280.60

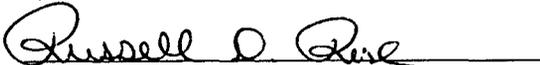
96,902,100 Gallons

Pea Ridge Meter

12/2/97-12/31/97	980,600	1,274.78
12/31-97-2/2/98	894,000	1,162.20
2/2/98-3/5/98	908,400	1,180.92
3/5/98-3/31/98	799,000	1,038.70
3/31/98-5/1/98	567,000	737.10
5/1/98-6/1/98	3,165,000	4,114.50
6/1/98-7/1/98	3,125,000	4,062.50
7/1/98-7/31/98	3,188,000	4,144.40
7/31/98-9/1/98	3,459,000	4,496.70
9/1/98-10/1/98	3,231,000	4,200.30
10/1/98-11/2/98	1,273,000	1,654.90
11/2/98-12/2/98	<u>1,372,000</u>	1,870.04

22,962,000 Gallons

Done this 25th day of January 1999 at Bagdad, Kentucky.


Russ Rose
Assistant Manager

RUN DATE: 01/21/99 09:34
TERMINAL: 4

U.S. 60 WATER DISTRICT
HISTORY TRACKING BY ACCOUNT NUMBER
MONTHLY LISTING (BILLING/USAGE) FOR 12/97 THRU 11/98

PAGE 1
program 10-2-7

SERVICE: W WATER

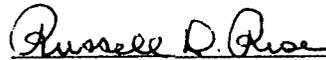
ACCOUNT RANGE: ALL
MINIMUM AVERAGE USAGE: NONE

J = USAGE AU = AVERAGE USAGE UA() = NUMBER OF USAGE ADJUSTMENTS INCLUDED IN USAGE

REPORT TOTALS

	NUMBER OF BILLS	TOTAL USAGE	AVERAGE USAGE
DEC 97	1459	6677.9	4.6
JAN 98	1463	7048.1	4.8
FEB 98	1469	6828.8	4.6
MAR 98	1472	6575.6	4.5
APR 98	1487	6734.9	4.5
MAY 98	1492	7044.3	4.7
JUN 98	1490	8441.8	5.7
JUL 98	1498	7857.0	5.2
AUG 98	1501	8659.6	5.8
SEP 98	1505	9409.8	6.3
OCT 98	1509	6966.5	4.6
NOV 98	1512	7002.9	4.6
=====			
TOTALS	17857	89247.2	5.0

Done this 25th day of January 1999 at Bagdad, Kentucky.



Russ Rose
Assistant Manager

Exhibit D

U.S. 60 Water District
Balance Sheet
DECEMBER 31, 1998

ASSETS

TRANSMISSION AND DISTRIBUTION

Structures and improvements	20,754.00
Standpipes	224,919.81
Water distribution mains	2,897,924.66
Services	114,728.89
Meters	118,857.05
Meter installation	70,896.59
Hydrants	6,410.11
Pumping station equipment	123,559.45
Other plant	7,044.82
Equipment	3,009.12
Construction in progress	672,745.09
Accumulated depreciation	(868,920.25)

TOTAL TRANSMISSION AND DISTRIBUTION

3,391,929.34

FUNDS AND INVESTMENTS

Cash-debt service account	109,353.17
Cash-surcharge a (KIA)	14,313.76
Cash-Construction fund	55,524.14
Cash-Spencer Co. Construction	684.60
Cash-Rockbridge Construction	8,302.87
Cash-Back Creek Construction	16,905.92
Cash-depreciation account	20,257.16
Cash-debt service fund	62,343.22
Cash-Woodland Construction	32,088.13
Cash-KIA Reserve	37,483.17
Investments-deprec fund	93,867.36
KIA-debt service reserve	76,511.63

TOTAL FUNDS AND INVESTMENTS

527,635.13

See Accountant's Compilation Report

J Sutherland, psc
CERTIFIED PUBLIC ACCOUNTANT
SHELBYVILLE, KENTUCKY

U.S. 60 Water District
Balance Sheet
DECEMBER 31, 1998

CURRENT ASSETS

Cash-revenue fund	47,598.30
Cash-operations & maint	241,282.30
Accounts receivable	57,206.51
Returned checks	786.87
Prepaid insurance	3,514.55

TOTAL CURRENT ASSETS	350,388.53
----------------------	------------

OTHER ASSETS

Unamortized debt discount	13,133.58
Unamortized Rate Cost	1,524.10

TOTAL OTHER ASSETS	14,657.68
--------------------	-----------

TOTAL ASSETS	4,284,610.68
--------------	--------------

See Accountant's Compilation Report

J Sutherland, psc
CERTIFIED PUBLIC ACCOUNTANT
SHELBYVILLE, KENTUCKY

U.S. 60 Water District
Balance Sheet
DECEMBER 31, 1998

LIABILITIES

LONG-TERM DEBT

Bonds payable	112,000.00
Notes payable-GECC	331,000.00
Notes payable-FHA	744,300.00
Notes payable-KACO	202,000.00
Notes payable-KACOLT	78,000.00
Notes payable-KY Infrastructur	621,183.98

TOTAL LONG-TERM DEBT

2,088,483.98

CURRENT LIABILITIES

Accounts payable	35,298.26
Spencer Co. school tax	15.46
Anderson Co school tax	44.79
Shelby Co. school tax	1,035.41
Franklin Co. school tax	320.97
Sales tax payable	93.96
Accrued interest	10,925.08
Accrued int-customer deposits	733.56
Accrued interest-GMAC	10,745.19
Membership certificates	43,891.00

TOTAL CURRENT LIABILITIES

103,103.68

TOTAL LIABILITIES

2,191,587.66

See Accountant's Compilation Report

J Sutherland, psc
CERTIFIED PUBLIC ACCOUNTANT
SHELBYVILLE, KENTUCKY

U.S. 60 Water District
Balance Sheet
DECEMBER 31, 1998

EQUITY

CONSTRUCTION CONTRIBUTIONS

Member meter tap on	560,806.23
Member hydrants	1,150.00
Member contributions	4,680.00
Grants	705,890.98
Contributions in aid of constr	555,832.41
Contributions-Crab Orchard	699.30

TOTAL CONSTRUCTION CONTRIBUTION 1,829,058.92

CAPITAL

Retained earnings-prior	195,861.58
Retained earnings-current year	68,102.52

TOTAL CAPITAL 263,964.10

TOTAL EQUITY 2,093,023.02

TOTAL LIABILITIES AND EQUITY 4,284,610.68

See Accountant's Compilation Report

J Sutherland, psc
CERTIFIED PUBLIC ACCOUNTANT
SHELBYVILLE, KENTUCKY

EXHIBIT F

U.S. 60 Water District has filed an application with the Public Service Commission for a proposed rate change for water service. The change is made necessary due to an increase in the wholesale price of water by our supplier. The following rates may be altered by the PSC after examining the application.

<u>Monthly Rates</u>		
First	1,000 gallons per month	\$10.77 (minimum bill)
Next	2,000 gallons per month	5.285 per 1,000 gallons
Next	2,000 gallons per month	4.185 per 1,000 gallons
All Over	5,000 gallons per month	3.645 per 1,000 gallons

All persons having reason to intervene should file with the P.S.C., P.O. Box 615, Frankfort, Kentucky 40601. The application is on file at the offices of the U.S. 60 Water District, Bagdad, Kentucky and is available for examinations during business hours.

**U.S. 60 WATER DISTRICT OF
SHELBY AND FRANKLIN COUNTIES, KENTUCKY**

Name of Issuing Corporation

CLASSIFICATION OF SERVICE

RATE

Applicable: **Entire Area Served**

Available: **to All Customers Served by the Water District**

Rates:

5/8 x 3/4 Inch Meter

First	1,000 gallons	\$10.770 Minimum Bill
Next	2,000 gallons	5.285 Per 1,000 Gallons
Next	5,000 gallons	4.185 Per 1,000 Gallons
All Over	5,000 gallons	3.645 Per 1,000 Gallons

1" Meter

First	5,000 gallons	\$29.710 Minimum Bill
All Over	5,000 gallons	3.645 Per 1,000 Gallons

2" Meter

First	25,000 gallons	\$104.230 Minimum Bill
All Over	25,000 gallons	3.645 Per 1,000 Gallons

3" Meter

First	125,000 gallons	\$468.730 Minimum Bill
All Over	125,000 gallons	3.645 Per 1,000 Gallons

Bulk Sales

\$2.035 Per 1,000 Gallons

Date of Issue February 16, 1999 Date Effective March 30, 1999

Issued By _____ Title Chairman

William Eggen

Issued by authority of an Order of the Public Service Commission of
Kentucky in Case No. _____ dated _____